

DATE: March 26, 2001

TO: Prospective Applicants

FROM: Office of Procurement and Grants Management (OPGM)

SUBJECT: Program Announcement No. SBDC-01-0002, Paul D. Coverdell Drug-Free Workplace Program Grants

You are invited to submit a proposal (an original and three copies) in response to Program Announcement #SBDC-01-0002. The U.S. Small Business Administration (SBA) plans to award grants under this Program Announcement in accordance with the Drug-Free Workplace Act of 1998. The objective of the Act is to provide funding to eligible intermediaries for the purpose of providing financial and technical assistance to small businesses seeking to establish drug-free workplace programs. Awards will be based on technical merit determined in accordance with the evaluation criteria set forth in the program announcement.

Applicants must bind the cost proposal separately from the technical proposal in accordance with the enclosed instructions. Your technical proposal must be typed in single-space format, in no smaller than 12 point type and must not exceed 21 pages including exhibits and appendices, but excluding a cover page, a table of contents, one-page resumes, an organization chart, and a copy of the applicant's drug-free workplace policy. No fold-out pages are permitted. Any proposal that does not meet the above requirements will be considered non-responsive and will not be technically evaluated.

The Government will not return proposals, but will retain them for a limited period of time.

The closing date for the program announcement is **April 25, 2001, 4:00 P.M., Eastern Time**, at the U.S. Small Business Administration, Office of Procurement & Grants Management.

If mailed: mail to U.S. Small Business Administration, 409 3rd Street, S.W., 5th Floor, Washington, DC 20416, Office of Procurement & Grants Management, Attention: Mina Bookhard, Agreement Officer.

If hand carried, deliver to Mina Bookhard, or her designee, at the above address. Delivery to any other location will be deemed a late application, if not received at the location specified by the aforementioned deadline.

Please place the following notation in the lower left corner of the sealed envelope or package:

*THIS IS A SEALED OFFER. DO NOT OPEN. STAMP DATE  
AND TIME RECEIVED ON THE ENVELOPE. PROPOSAL  
IS IN RESPONSE TO PROGRAM ANNOUNCEMENT  
NUMBER SBDC-01-0002, DUE April 25, 2001 AT 4:00  
P.M., Eastern Time, AT SBA's OFFICE OF  
PROCUREMENT & GRANTS MANAGEMENT.*

All Applicants must be determined to be responsible under the criteria of Federal Acquisition Regulations (FAR) Section 9.104-1. The decision of the Office of Procurement and Grants Management concerning a prospective awardee's responsibility will be final.

Any questions relating to this program announcement should be directed to Joan Bready at 202/205-7384. You may contact her by phone or you may fax your questions to her at 202/205-7727. Questions concerning budget or funding matters should be directed to Mina Bookhard, Agreement Officer, at 202/205-7080.

Sincerely,

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Sharon Gurley  
Director  
Office of Procurement and Grants Management  
U.S. Small Business Administration

**U.S. SMALL BUSINESS ADMINISTRATION  
OFFICE OF SMALL BUSINESS DEVELOPMENT CENTERS**

**PROGRAM ANNOUNCEMENT TO PROVIDE  
PAUL D. COVERDELL DRUG-FREE WORKPLACE PROGRAMS  
TO THE SMALL BUSINESS COMMUNITY**

**FISCAL YEAR 2001**

OPENING DATE: March 26, 2001

CLOSING DATE: April 25, 2001

PROGRAM ANNOUNCEMENT NO: SBDC-01-0002

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### **Purpose/Introduction**

This program announcement seeks proposals from eligible intermediaries in accordance with the Drug-Free Workplace Act of 1998 (Act). The Act establishes the Paul D. Coverdell Drug-Free Workplace Program. This program permits the U.S. Small Business Administration (SBA) to make grants to eligible intermediaries to assist small businesses financially and technically in establishing drug-free workplace programs.

### **Pre-proposal Conference**

A pre-proposal conference will not be conducted. Eligible applicants are encouraged to call the listed SBA contacts with questions.

### **Contact Person for Program-Related Information**

Joan Bready  
Office of Small Business Development Centers  
SBA  
202/205-7384

### **Contact Person for Budget-Related Information**

Mina Bookhard  
Office of Procurement and Grants Management  
SBA  
202/205-7080

### **Eligibility Criteria**

In order to be an “Eligible Intermediary,” which are the only entities that can apply and receive the grants described in this program announcement, the applicant must be an organization that:

1. has at least 2 years of experience in carrying out drug-free workplace programs;
2. has a drug-free workplace policy in effect;
3. is located in a state, the District of Columbia, or a territory of the United States; and
4. has as its purpose the development of comprehensive drug-free workplace programs, or supplying drug-free workplace services, or providing other forms of assistance and services to small businesses.

**The proposal of any applicant that fails to meet the above eligibility requirements shall be considered non-responsive and will not be technically evaluated. See page 14 for further guidance on preparing a proposal**

## **Program Overview**

Project Name:	Paul D. Coverdell Drug-Free Workplace Program
Project ID Number:	Program Announcement #SBDC-01-0002
Funding Instrument:	Grant
Funding:	This grant is subject to the availability of FY 2001 funds.
Award Amounts/Funding Range:	Grants will be awarded in the approximate range of \$50,000 -\$300,000. There is no matching fund requirement; however, the availability of private sector resources or non-federal funds should be noted in the technical proposal.
Project Duration:	The project period will be for 12 months. Option periods will be subject to the availability of funds, continued authorization, and satisfactory performance.
Closing Date for Submission Of Applications:	April 16, 2001
Project Starting Date:	Approximately 120 days after closing date
Authority:	Small Business Act, Section 21(c)(3)(T) and Section 27, 15 U.S.C. 648(c)(3)(T) and 654 (Title IX of Public Law 105-277)
Award Notification:	Awardees' names may be obtained, upon request, from SBA's Office of Procurement & Grants Management.
Proposal Evaluation:	Proposals will be scored against the evaluation criteria on pages 17-19. SBA may ask applicants for clarification on the technical and cost aspects of proposals. This must not be construed as a commitment to fund the proposed effort.

## **General Information**

### **Equipment Purchases**

SBA must approve all equipment purchases as defined by OMB Circular A-110, .34(f).

### **Program Income**

All program income as defined in OMB Circular A-110, shall be reported on financial reports submitted to SBA. Program income can be used only for program purposes.

### **Costs**

All costs approved for a successful applicant must meet the tests of necessity, reasonableness, allowability, and allocability in accordance with the cost principles applicable to this award. All proposed costs are subject to pre-award audit. Recipients are responsible for proper management and financial accountability of Federal funds to preclude future cost disallowance. Payment will be made by reimbursement as requested.

### **Publications and Cosponsorship Requirements**

SBA will have an unlimited license to use data and written materials generated under this grant, whether or not the materials are copyrighted. Any publications or web site resulting from this project must include the following acknowledgement of support, whether copyrighted or not, in legible, easily readable print:

“This grant is funded by the U.S. Small Business Administration. SBA’s funding is not an endorsement of any products, opinions, or services. All SBA funded programs are extended to the public on a nondiscriminatory basis.”

The grant recipient may not use the U.S. Small Business Administration name or logo for the endorsement of any services, products, or merchandise under this award.

The SBA logo may appear on prominent webpages of Internet sites that are related to this project, but must appear with the above disclaimer in legible, easily readable print and acknowledgement of support in close physical proximity (within 2 inches) next to it.

## **Background**

The Drug-Free Workplace Act of 1988 required many Federal grantees and contractors to provide drug-free workplaces (DFWP). This covered some small businesses, but certainly not all of them. Despite this legislation and other efforts to promote drug-free workplace programs in the small business community, Congressional sources state that only 3 percent of small businesses have actually implemented programs. (Small business is

defined in 13 CFR 121. See page 11 for additional guidance.) The needs of the small business community are different from those of large businesses or the public sector. Many small businesses do not have a full-time human resources person, much less an office to handle such issues. Witnesses at Congressional hearings have testified that small businesses have limited knowledge of DFWP programs and limited resources to implement such a program. Those witnesses have also stated that since most adults who use illegal drugs are employed and since small businesses employ over half of the Nation's workforce, this is a small business issue.

Some studies have shown that employees who use illegal drugs and abuse prescription drugs and alcohol increase costs for businesses and risk the health and safety of all employees. Absenteeism, workplace accidents, disciplinary actions, and employee turnover are all higher among drug users than for individuals who do not use drugs. Therefore, knowledge of and implementation of DFWP programs would benefit small businesses.

Recognizing that it is difficult for small businesses to institute DFWP programs, Congress passed the Drug-Free Workplace Act of 1998 which established the Paul D. Coverdell Drug-Free Workplace Program. This Program permits the U.S. Small Business Administration (SBA) to make grants to eligible intermediaries to assist small businesses financially and technically in establishing drug-free workplace programs. In establishing DFWP programs, as contemplated by the Act, eligible intermediaries should provide outreach to the small business community and provide additional voluntary education for parents. Outreach must include educating small businesses on the benefits of a drug-free workplace and encouraging small business employers and employees to participate in drug-free workplace programs. Education for parents must teach them how to keep their children drug-free.

The Act also amended the Small Business Act (15 U.S.C. 648(c)(3)(T)) to require small business development centers to provide information and assistance to small businesses with respect to establishing drug-free workplace programs.

In enacting the Drug-Free Workplace Act of 1998, Congress stated that it is the sense of the Congress that States should consider incentives to encourage businesses to adopt DFWP programs. These incentives may include financial incentives, such as: a reduction in workers' compensation premiums; a reduction in unemployment insurance premiums; and tax deductions in an amount equal to the amount of expenditures for employee assistance programs, treatment, or illegal drug testing. They may also include other incentives, such as the adoption of liability limitations or other innovative measures.

The legislative history of the Drug-Free Workplace Act of 1998 provides some guidance on Congressional expectations for the DFWP demonstration programs. The House Small Business Committee conducted a hearing on this issue on June 11, 1998. The Committee hearing report language encourages the SBA to require intermediaries to be state-certified as drug education providers. That was not made a statutory requirement, however, because the Committee recognized that certification is not required in all jurisdictions.



The Committee recommended that when certification is required in a jurisdiction, it should be required for this program.

The Senate Small Business Committee also conducted a hearing on September 25, 1998. The Senate Committee hearing report states the flexibility in the statute is intentional. It allows intermediaries to provide employers with guidance, while allowing each employer to design the specifics of their DFWP program.

The Senate Committee report expressed an expectation that an employer's DFWP policy will be made available to every employee through such means as inclusion in a personnel manual or handbook or posting the policy in a place accessible to all employees. In addition, prospective employees must be informed of the drug-testing requirement.

The Senate Committee recommended that drug testing should rely on laboratories certified under the Substance Abuse and Mental Health Services Administration's Mandatory Guidelines with subsequent changes if any, or approved by the College of American Pathologists for forensic testing. The Committee did not discount the use of on-site testing kits as part of the drug testing program as long as all initial positives are sent for confirmation and every attempt is made to ensure privacy of the individuals whose samples were sent for confirmation.

The Senate Committee report stated that the medical review officer must have appropriate medical training to interpret and evaluate an individual's positive test result along with that individual's medical history and any other relevant biomedical information. As part of the employer's DFWP program, the Senate Committee report also stated that employees testing positive or coming forth for assistance must be provided a list of qualified professionals to assist in the evaluation, referral and resolution of their substance abuse problems.

The late Senator Paul D. Coverdell introduced the original legislation. Therefore, this program was renamed the "Paul D. Coverdell Drug-Free Workplace Program" in Public Law 106-554 enacted on December 21, 2000.

### **Drug-Free Workplace Program**

As outlined in the Drug-Free Workplace Act of 1998, a complete "DFWP program" contains the following five elements:

(1) Written Policy The policy must include:

- a clear statement of expectations for workplace behavior;
- prohibitions against reporting to work or working under the influence of illegal drugs or alcohol;
- prohibitions against the use or possession of illegal drugs in the workplace; and
- the consequences of violating those expectations and prohibitions.

(2) Drug and Alcohol Abuse Prevention Training

Training must be for at least 2 hours for each employee. The program must also include additional voluntary drug and alcohol abuse prevention training for employees who are parents.

(3) Drug Testing

The program requires employee illegal drug testing. The analysis is to be conducted by a drug testing laboratory certified by the Substance Abuse and Mental Health Services Administration or approved by the College of American Pathologists for forensic drug testing. A medical review officer must review each positive test result.

A medical review officer is a licensed physician with knowledge of substance abuse disorders. A medical review officer can not be an employee of the small business in which the tested employee works. The medical review officer can not be an employee or person with a financial interest in the laboratory for which the illegal drug test results are being reviewed.

(4) Employee Assistance Program

The program must provide access to an employee assistance program, including confidential assessment, referral, and short-term problem resolution.

(5) Continuing Education

The program must provide continuing alcohol and drug abuse prevention education.

**Privacy Protection**

The Drug-Free Workplace Act of 1998 requires privacy protection for employees participating in DFWP programs. Therefore, each drug-free workplace program that is established with this grant assistance shall:

- include, as reasonably necessary and appropriate, practices and procedures to ensure the confidentiality of illegal drug test results and of any participation by an employee in a rehabilitation program;
- prohibit the mandatory disclosure of medical information by an employee prior to a confirmed positive illegal drug tests; and
- require that a medical review officer reviewing illegal drug test results shall report only the final results, limited to those drugs for which the employee tests positive, in writing and in a manner designed to ensure the confidentiality of the results.

## **Definitions**

The following definitions apply to the Drug-Free Workplace Act of 1998:

- “Drug-Free Workplace Program” is defined on pages 9-10.
- “Eligible Intermediary” is defined on pages 5 and 14.
- “Employee” includes any: applicant for employment, employee, supervisor, manager, officer of a small business concern who is active in management of the concern, and owner of a small business concern who is active in management of the concern.
- “Medical Review Officer” means a licensed physician with knowledge of substance abuse disorders. It does NOT include any employee of the small business concern or employee or agent of or any person having a financial interest in the laboratory for which the illegal drug test results are being reviewed.
- “Small Business” means:
  1. a business entity organized for profit,
  2. with a place of business located in the United States, and
  3. which operates primarily within the United States or which makes a significant contribution to the U.S. economy through payment of taxes or use of American products, materials or labor.

The most common size standards to be considered “small” include:

- 500 employees for most manufacturing and mining industries
- 100 employees for all wholesale trade industries
- \$5 million in average annual receipts for most retail and service industries
- \$17 million in average annual receipts for most general & heavy construction industries
- \$7 million in average annual receipts for all special trade contractors
- \$0.5 million in average annual receipts for most agricultural industries

## **Mission Statement**

SBA wants to ensure the success of the Paul D. Coverdell Drug-Free Workplace Program, as contemplated by the Drug-Free Workplace Act of 1998. In order to do that, the grants should be viewed as an opportunity to develop a collaborative effort (community-wide, state-wide, region-wide, industry-wide, association-wide, etc.) in which a plan for a system of action aimed at reducing drug abuse in small businesses can serve as a national demonstration model. Applicants are encouraged to design and develop innovative and creative programs and services to address the Act.

The Act permits the SBA to make grants to eligible intermediaries for the purpose of providing financial and technical assistance to small businesses seeking to establish drug-free workplace programs. Examples of financial assistance may include, but are not

limited to, free and/or reduced fees for training sessions, management/supervisor consultations, EAP services, and/or drug testing.

Examples of technical assistance may include, but are not limited to, assistance in performing needs assessments; writing/reviewing policies and procedures; providing consultation to management on program development; providing consultation to supervisors on when and how to enforce the drug-free workplace policy and how to intervene and make referrals to drug testing or EAPs; consultation on choosing qualified drug testing or EAP service providers; and training supervisors on the meaning of the term “reasonable suspicion.”

In establishing these DFWP programs, as contemplated by the Act, eligible intermediaries should provide outreach to the small business community, supervisory training, and voluntary education for parents. Outreach must include educating small businesses on the benefits of a drug-free workplace and encouraging small business employers and employees to participate in drug-free workplace programs. Applicants should consider using the small business development centers in conducting this outreach. Education for parents must include teaching them how to keep their children drug-free. Parents receiving such assistance must be small business employees.

The SBA is seeking applications that demonstrate:

- Information dissemination techniques
- Outreach efforts in the proposed area of service (community, state, region)
- Collaborative relationships
- Innovative/creative approaches
- Fiscal and programmatic strategies for continuation of this effort

### **Reporting Requirements**

Grantees will be required to submit quarterly financial reports (Standard Forms 269, “Financial Status Report,” and Standard Form 272, “Federal Cash Transactions Report”) within 30 days of completion of each quarter and within 60 days after completion of the project. Copies of the SF 269 and SF 272 will be included in the award package submitted to successful applicants.

Detailed programmatic status reports are also required quarterly within 30 days of completion of each quarter and within 90 days after completion of the project. These reports must be provided in hard copy. The reports must thoroughly outline the following:

1. project accomplishments,
2. problems encountered,
3. evaluation measurement tools used to address the issue of drug abuse,
4. recommendations,
5. comparison between projected milestones and actual accomplishments, and
6. reasons for slippages and a plan for action to overcome slippages.

These reports shall also include, but not be limited to, the following statistics:

- number of small businesses financially assisted (describe type of assistance);
- number of small businesses technically assisted (describe type of assistance);
- number of small businesses that implemented a complete DFWP program;
- number of small businesses that implemented a partial DFWP program (less than all five elements as described in the Drug-Free Workplace Act of 1998 – list elements not implemented);
- number of small businesses educated (at least one hour of formal training or interactive one-on-one assistance);
- number of employees educated (at least one hour of formal training or interactive one-on-one assistance);
- number of supervisors educated (at least one hour of formal training or interactive one-on-one assistance);
- number of working parents educated (at least one hour of formal training or interactive one-on-one assistance);
- number of brochures distributed (list type – supervisor, parent, etc.);
- types of businesses assisted (service, manufacturing, etc.);
- business ownership (woman-owned, minority-owned, veteran-owned); and
- number and identity of groups collaborated with to provide services to small businesses.

In addition, each grantee must be responsive to inquiries and visits from the evaluators of this demonstration program. The evaluators include representatives from the Small Business Administration, the Department of Health & Human Services, the Department of Labor, and the Office of National Drug Control Policy. The quarterly reports provided by the grantees may be made public.

**Payments may be withheld if reports are not submitted within the required timeframe or if the quality of reports is deemed inadequate.**

## APPLICATION FORMAT

### **Technical Proposal**

#### Cover Page

List the following:

- Program Announcement #SBDC-01-0002
- Applicant's name
- Applicant's address
- Applicant's contact name for this application
- Contact's telephone number
- Contact's fax number
- Contact's e-mail address
- Grant dollar amount requested

#### Table of Contents

Please number all pages.

#### **Section 1. Eligibility Requirements (not to exceed 2 pages + one-page resumes + copy of the applicant's drug-free workplace policy + organization chart)**

In this section, the applicant must prove it meets the definition of "Eligible Intermediary."

In order to be eligible for the grants described in this program announcement, the applicant must be an organization that:

- has at least two years of experience in carrying out drug-free workplace programs;
- has a drug-free workplace policy in effect;
- is located in a State, the District of Columbia, or a territory of the United States; and
- has as its purpose the development of comprehensive drug-free workplace programs, or supplying drug-free workplace services, or providing other forms of assistance and services to small businesses.

In order to meet the first qualification above, the applicant must demonstrate its successful experience in delivering all aspects of drug-free workplace technical assistance services to businesses (i.e., training, policy development, EAP, and testing). The applicant must also demonstrate that it has been in business two years prior to the approximate date of funding (approximately July 15, 2001).

In order to meet the fourth qualification above, the applicant must demonstrate its primary purpose is the development of comprehensive DFWP programs, or supplying DFWP services, or providing other forms of assistance and services to small businesses.

If the applicant has an existing web site address, it must provide it. The applicant must include a copy of its drug-free workplace policy and one-page resumes of all key personnel that will be involved in this project.

Any proposal with resumes longer than one page each, that does not include the applicant's DFWP policy, or does not demonstrate its ability to meet the above eligibility requirements will be considered non-responsive and will not be technically evaluated.

## **Section 2. Program Narrative (not to exceed 15 pages)**

In this section, each applicant must describe the following:

- Its understanding of the small business community and its needs. Knowledge of all small business human resource issues, not only substance abuse, is helpful.
- Its ability, understanding and/or experience in providing a full range of drug-free workplace services to small businesses, including its knowledge of its State Government's financial and/or other incentives that encourage businesses to adopt DFWP programs. Current SBA DFWP grantees must outline their accomplishments on the SBA grant.
- Its management plan to provide financial and technical assistance to small businesses seeking to implement drug-free workplace programs. This plan should include:
  1. The innovative methods it will use to make DFWP programs available, affordable, and responsive to small business employers and employees (including a list of proposed free and/or reduced costs of services;
  2. The mechanisms and strategies it will use to reach new small business customers;
  3. The applicant's plan to address the outreach and voluntary parent education requirements of the Drug-Free Workplace Act of 1998, including the incorporation of small business development centers into that plan;
  4. The applicant's plan to train supervisory employees;
  5. The applicant's ability to monitor, demonstrate and evaluate results and a description of the applicant's measurement tools; and
  6. The applicant's ability to sustain the program following completion of the grant period.

## **Section 3. Case Studies (not to exceed 1 page each)**

In this section, applicants must include two case studies of work specified in the Act; i.e., providing financial and technical assistance to small businesses for the implementation of DFWP programs. Include contact names and telephone numbers for verification purposes.

If the case studies are more than one page each, the application will be considered to be non-responsive and will not be technically evaluated.

#### Section 4. Timeline/Milestones **(not to exceed 1 page)**

In this section the applicant must include a timeline with milestones covering the 12-month grant period.

If Section 4 is more than one page, the application will be considered non-responsive and will not be technically evaluated.

#### Section 5. Projected Statistics **(not to exceed 1 page)**

In this section the applicant must include its projected statistics for the 12 month grant period. (See page 13.) Current SBA DFWP grantees must compare these statistics with those achieved during the first 12-month grant period.

If Section 5 is more than one page, the application will be considered non-responsive and will not be technically evaluated.

#### **Cost Proposal**

See page 20 “Preparing Your Budget.”

Include travel funds in your proposed budget for a two-day conference in Washington, DC.

If the performance time for outside consultants exceeds 50% of project services, the application will be considered to be non-responsive and will not be technically evaluated.



## **Evaluation Factors**

Applications will be reviewed for technical merit using the evaluation factors listed below. The weights to each factor are also listed.

### **1. Knowledge of Small Business** **15**

Applicant's Program Narrative, Case Studies, and Personnel Resumes will be used to evaluate this factor.

- Does the proposal respond to the unique needs of the small business community?
- What is the applicant's past experience with the small business community?

### **2. Drug-Free Workplace Experience** **15**

Applicant's Program Narrative, Case Studies, and Personnel Resumes will be used to evaluate this factor.

- What is the applicant's past experience in providing drug-free workplace education?
- If the applicant is a current grantee, is applicant's past performance satisfactory?
- What is the applicant's past experience in assisting businesses establish DFWP programs?
- Can the applicant provide a balanced approach to educating small businesses about all elements of a drug-free workplace program?
- What is the applicant's knowledge of the substance abuse problem in the workplace?
- What is the applicant's knowledge of its State Government's financial and/or other incentives that encourage businesses to adopt drug-free workplace programs?

### **3. Management Plan** **35**

Applicant's Program Narrative will be used to evaluate this factor.

#### **Mission and Aims** (maximum of 20 points)

- Does this proposal address the mission of the program announcement?
  - What types of financial assistance will be provided?
  - Is there a component for educating supervisors?
  - Is there a component for educating parents who work for small businesses?
- If the aims of the grant are achieved, how will drug-free workplace programs be advanced in small businesses?
- Does the applicant acknowledge potential problem areas and consider alternative designs?
- Can the design be duplicated by other entities?

**Small Business Customers** (maximum of 5 points)

- Is particular emphasis placed on approaching new small businesses rather than old customers of the applicant?
- Does the proposed work take advantage of any unique features of the small business community or employ useful collaborative arrangements?
- Are small business development centers incorporated into the proposal?

**Innovation** (maximum of 5 points)

- Does the project employ innovative concepts, approaches, theories, and methods?

**Monitoring Capabilities** (maximum of 5 points)

- What evaluation measurement tools will be used to address the issue of drug abuse?
- How will the applicant monitor, demonstrate and evaluate results?
- Does the applicant have adequate automation capabilities to track required statistics?

4. Sustainability 5

Applicant's Program Narrative will be used to evaluate this factor.

- Can the applicant continue the program following the completion of the grant period?
- Does the applicant have any other funds available to sustain the program following the grant period?
- Does the business environment in which the work will be done contribute to the probability of success?

5. Timeline 5

Applicant's Timeline/Milestones will be used to evaluate this factor.

- Are milestones reasonable during the 12-month timeframe?

6. Projected Statistics 10

Applicant's Projected Statistics will be used to evaluate this factor.

- Are statistics realistic in relation to the dollar value of the grant request and the free/reduced cost services offered?
- If the applicant is a current grantee, are the projected statistics realistic in comparison to the statistics achieved during the first 12-month grant period?

Applicant's Cost Proposal will be used to evaluate this factor.

- Are costs reasonable and competitive in relation to the work to be performed and the projected outcomes?
- Is the estimated performance time for outside consultants less than 50% of project services?
- Is budget prepared in conformance with the instructions on pages 20-22?
- Does the budget include travel funds for a 2-day conference in Washington, DC?

#### OMB Uniform Administrative Requirement and Cost Principles

Applicable OMB Circular A-110 containing administrative requirements, and OMB Circular A-122, containing cost principles for non-profits are available from the Office of Management and Budget's website. The address is:  
[www.whitehouse.gov/OMB/grants/index.html](http://www.whitehouse.gov/OMB/grants/index.html)

## PREPARING YOUR BUDGET

### INSTRUCTIONS FOR STANDARD FORM 424 (APPLICATION FOR FEDERAL ASSISTANCE)

Standard Form 424, Application for Federal Assistance, will be found beginning at page A-1 of this announcement. This guidance supplements that contained on the reverse side of the form.

- Item 1. Self-explanatory.
- Item 2. Refer to instructions on reverse of form
- Item 3. Refer to instructions on reverse of form
- Item 4. Leave Blank**
- Item 5. Refer to instructions on reverse of form
- Item 6. Refer to instructions on reverse of form
- Item 7. Refer to instructions on reverse of form
- Item 8. Enter: new**
- Item 9. Enter: U.S. Small Business Administration"
- Item 10. Enter: Drug-Free Workplace 59.000
- Item 11. Refer to instructions on reverse of form**
- Item 12. Refer to instructions on reverse of form
- Item 13. Refer to instructions on reverse of form
- Item 14. Refer to instructions on reverse of form
- Item 15. Refer to instructions on reverse of form
- Item 16. Enter: Check "b No Program is not covered by E.O. 12372".
- Item 17. Refer to instructions on reverse of form
- Item 18. Refer to instructions on reverse of form

### INSTRUCTIONS FOR STANDARD FORM 424A (BUDGET INFORMATION)

Budget information is found in Appendix A on pages A-1 through A-12.

### GENERAL

The "budget" is the Applicant's estimate of the total cost of performing the project or activity for which grant support is requested. The budget is to be based upon the cost of performing the project, including Federal and private sources.

All proposed costs reflected in the budget must be necessary to the project, reasonable, and otherwise allowable under applicable cost principles and Agency policies. All costs must be justified and itemized by unit cost on The Budget Worksheets (page A-3).

### Section A -Budget Summary

Column (A): Enter "Office of Small Business Development Centers"

Column (B): Enter the Catalog of Federal Domestic Assistance Number 59.000.

### Section B - Budget Categories

Amounts entered by budget category in this section are for summary purposes only. Itemization and justification of specific needs by budget category are to be shown under line 21, Section F.

Line 6.a. - 6.h. The budget amounts must reflect the total requirements for funds regardless of the source of funds. All amounts entered in this section are to be expressed in terms of whole dollars-only after completing the requirements of Section F.

Line 6.j. Indirect costs are those costs related to the project that are not included as direct costs in a. through h.

Line 7. Program income, if any, should not be added or subtracted from the total project amount identified in 6.k.

### Section C - Non-Federal Resources

Refer to instructions on reverse of form.

### Section D - Forecasted Cash Needs

Refer to instructions on reverse of form.

### Section E - Budget Estimates of Federal Funds Needed for Balance of the Project

Refer to instructions on reverse of form.

### Section F - Other Budget--Information

Line 21 Direct Charges: Identify and explain all items or categories under Section B in accordance with the instructions set forth below. The itemization must reflect the total requirements for funding from Federal and non-Federal sources. In most instances, Line 21 does not provide sufficient space to reflect all of the necessary information. Budget Worksheets are enclosed for your convenience. You may use these worksheets for the detailed budget information listed below or a reasonable facsimile, BUT each budget line item pertinent to your submission MUST also be completed on the application. Please show a complete breakdown of all cost elements summarized in Section B on a separate sheet. Do not list on Line 21 any items included in the indirect expenses entered on Line 22 below.

- a. Personnel: List the name, title, salary, and estimated amount of time for each employee who will be assigned to this project. Note those fees, expenses, and estimated amount of time for outside consultants should be included in f.,**

**Contractual. The estimated performance time for outside consultants is not to exceed 50% of project services. Resumes of all personnel assigned to this effort must be included in the application.**

- b. Fringe Benefits: Leave blank if fringe benefits applicable to direct salaries and wages are treated as part of indirect costs in the indirect cost rate negotiation agreement. If your organization does not have a federally negotiated fringe benefit package, list each component included as a fringe benefit.**
- c. Travel: Reimbursement will be made based on incurred cost. Estimates should be based on knowledge of the geographical area of small business locations. Reimbursement will not be made for travel time to and from the small business client's location. Supporting data should include numbers of trips anticipated, costs per trip per person, destinations proposed, modes of transportation, and related subsistence expenses.**

#### Section F - Line 22 Indirect Charges

(Attach Budget Worksheets or reasonable facsimile if sufficient space is not provided.)

Enter the indirect cost "rate," date, and agency which issued rate.

If an indirect cost rate is not established, itemize elements and cost of overhead and G&A (General and Administrative) expense categories relative to the performance of this project.

#### ASSEMBLING AND MAILING INSTRUCTIONS

1. Please indicate the following information on the front of your return envelope:
  - (a) Your organization's name and return address including zip code in the upper left-hand corner of the return envelope.
  - (b) Place the following notation in the lower left-hand corner of the sealed envelope.

*THIS IS A SEALED OFFER. DO NOT OPEN. STAMP  
DATE AND TIME RECEIVED ON THE ENVELOPE.  
PROPOSAL IS IN RESPONSE TO PROGRAM  
ANNOUNCEMENT NUMBER SBDC-01-0002, DUE  
April 25, 2001 AT 4:00 P.M., Eastern Time, AT SBA's  
OFFICE OF PROCUREMENT & GRANTS  
MANAGEMENT.*

2. Please submit an original and three copies of the following pages from the Program Announcement along with an original and three copies of your proposal:

- (a) The Federal Assistance Application (Standard Form 424) and related budgetary data.
  - (b) Appendix B, pages B-1 through B-11 - Assurances and Certifications (with appropriate signature).
3. To facilitate review and processing of the proposals, your submission must be arranged, as follows, in two separately bound sections:
- (a) Section I: COST PROPOSAL -- This section is to be comprised of: The Application; The Budget Information; and The Assurances and Certifications. The material identified as Section I, must be bound separately from the Technical Proposal. DO NOT include any technical information in Section I, The Cost Proposal.
  - (b) Section II: TECHNICAL PROPOSAL -- This section is comprised of the Eligibility Requirements, Program Narrative, Timeline/Milestones, and Case Studies. The proposal should be completed with a table of contents and must be responsive to the evaluation criteria set forth on pages 17-19. The Technical Proposal must be bound separately from the Cost Proposal. DO NOT include any cost information in Section II, The Technical Proposal.
4. Your application should be submitted in original and three copies to:

U. S. Small Business Administration  
Office of Procurement and Grants Management  
409 Third Street, S.W., 5th Floor  
Washington, DC 20416  
Attn: Mina Bookhard, Agreement Officer

#### LATE SUBMISSION, REVISIONS AND WITHDRAWALS

1. Any application received at the Office of Procurement and Grants Management after the exact time specified for receipt will not be considered unless it is received before award is made, AND:
- (a) It was sent by registered or certified mail not later than the fifth calendar day prior to the date specified for receipt of application (e.g., an application submitted in response to an announcement requiring receipt of offers by the 10<sup>th</sup> of the month must have been mailed by the 5<sup>th</sup> of the previous month; OR
  - (b) It was sent by mail, and it is determined by the Government that the late receipt was due solely to the mishandling by the Government after receipt at the Government installation; OR

- (c) It is the only application received and it would be in the best interest of the Government to award based on the reasonableness of technical, cost and other factors considered; OR
  - (d) It was sent by mail or hand-carried (including delivery by a commercial carrier) if it is determined by the Government that the late receipt was due primarily to Government mishandling after receipt at the Government installation; OR
  - (e) It was sent by U.S. Postal Service Express Mail Next Day Service-Post Office To Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of bids. The term "working days" excludes weekends and U.S. Federal holidays.
- 2. Any revision of an application is subject to the same conditions in 1 a. and 1 b. of this provision.
  - 3. The only acceptable evidence to establish:
    - (a) The date of mailing of a late application sent either by registered, certified, or express mail is the U.S. Postal Service postmark showing a legible date. The term "postmark" means a printed, stamped, or otherwise placed impression that is readily identifiable without further action as having been supplied and affixed on the date of mailing by employees of the U. S. Postal Service.
    - (b) The time of receipt at the Government installation is the time-date stamp of such installation on the proposal wrapper or other documentary evidence of receipt maintained by the installation.
  - 4. Applications may be withdrawn by written, faxed, or telegraphic notice received by the designated office at any time prior to award. Applications may also be withdrawn in person by an Applicant or his/her authorized representative, provided his/her identity is made known and he/she signs a receipt for the application.

#### AWARD NOTIFICATION

Awardees' names may be obtained, upon request, from SBA's Office of Procurement & Grants Management.

#### CANCELLATION

**SBA reserves the right to cancel this program announcement in whole or in part at the Agency's discretion.**